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Omnibus Scheduled Return Date:
November 29, 2005, 10:00 am

- and -

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:)	
)	Chapter 11
In re DELPHI CORPORATION, et al.,)	
)	05-44481 (RDD)
Debtors.)	(Jointly Administered)

STATEMENT BY IUE-CWA IN SUPPORT OF THE DEBTOR'S
SUPPLIER AGREEMENT ASSUMPTION PROCEDURES MOTION

The IUE-CWA, a labor union representing 8,500 hourly employees of Delphi Corporation, et al. ("Debtor" or "Delphi"), hereby submits this Statement in Support of the motion by Delphi for an order under 11 U.S.C. §§ 363(b) and 365(a) and Fed. R. Bankr. P. 9019 approving procedures to assume, in connection with an extension and certain other provisions, certain agreements which are critical to Delphi's on-going manufacturing operations and shows as follows:

1. The Delphi Chapter 11 Petition lists the IUE-CWA as the second creditor on the list of the fifty largest creditors due to the sizeable contingent and unliquidated claims held by the IUE-CWA and its members. The IUE-CWA represents approximately 25% of the 34,000 unionized Delphi employees in the United States and has a significant interest in achieving a successful re-organization of Delphi in this proceeding.

2. The IUE-CWA has a decades long history of zealous representation of thousands of employees and retirees employed by Delphi and its predecessor corporations. IUE-CWA members are employed by Delphi at the following locations:

Location	Number of Actives as of March, 2005
Warren, Ohio	3,877
Kettering, Ohio	1,127
New Brunswick, NJ	295
Anaheim, California	110
Morraine, Ohio	1,151
Landrum, South Carolina	44
Brookhaven, Miss	485
Clinton, Miss	781
Foley, Alabama	11
Gadsden, Alabama	134

3. IUE-CWA has a national collective bargaining agreement with Delphi. In addition, each of the above locations has a history of separate collective bargaining negotiations with its local management as necessary to respond to Delphi's competitive needs. These local supplemental agreements substantially modify the terms of the national agreement.

4. The IUE also represents thousands of other employees employed by other participants in the automotive industry, including General Motors, Visteon, Baer and Valeo Inc. As a result of this long history of familiarity with the automobile industry both on the level of the OEM's and their tier one suppliers, the IUE is in a position to evaluate many of the factual assertions

made by Delphi in support of this motion.

5. United States automotive industry employers including Delphi currently utilize combined just in time manufacturing and sole source supplier systems that leave it extremely vulnerable to disruption if any of its key suppliers decline or fail to ship required products. Furthermore, the supplier qualification system now in place requires a substantial period of time before any defaulting supplier can be replaced. While this system has advantages to Delphi in normal times in which Delphi is presumed to be a highly valued customer, it can result in paralysis in any situation in which key suppliers are unwilling to continue to ship their products to Delphi at market prices.

6. Delphi has represented that the scope of the relief sought by the Motion is limited, focused, and narrowly-tailored. The Motion will only grant Delphi the authority to assume agreements covering the supply of goods that Delphi determines are absolutely critical to avoid an interruption in its manufacturing operations and without which Delphi would face an imminent shutdown of business operations at one or more of its business locations that would affect the operations of its customers. The IUE-CWA also notes that Delphi does not seek to assume any agreements, or pay any prepetition claims related thereto, under which a supplier sold all or some of its prepetition claims arising under such otherwise Assumable Agreement to one or more third parties.

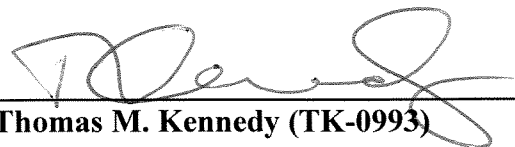
7. The IUE-CWA agrees that the most efficient and cost effective manner in which to enhance the Debtors' likelihood of a successful restructuring, and preserve the Debtors' going-concern value for all constituents is through assumption of certain supplier agreements in exchange for a package of mandatory minimum provisions from suppliers that provide Delphi continuity of supply at market terms.

8. If Delphi's key suppliers do not continue to ship their products to Delphi for eventual shipment to Delphi's OEM customers, there will be a cascading failure throughout the United States automobile industry that would halt production in dozens of manufacturing facilities and lead to the layoff of thousands of employees, including members of the IUE-CWA. Since the Motion provides a mechanism through which key suppliers can be induced to continue to supply Delphi, it will enable Delphi to continue to operate during the pendency of this proceeding and permit creation of a successful plan or reorganization that continues the employment of IUE-CWA members and the receipt of post retirement benefits by retired IUE-CWA members.

9. The IUE-CWA does not, of course, endorse any other aspect of Delphi's conduct in this proceeding. The same potential for disruption of its manufacturing process that renders it vulnerable to supplier conduct also strongly counsels against a failure to bargain in good faith for a mutually acceptable agreement with its labor unions, including the IUE-CWA. This statement in support of this motion is not therefore an endorsement of the filing of this proceeding or of Delphi's announced priorities and intentions. It is simply a recognition of a common interest in maintaining Delphi's supply chain.

**Dated: New York, New York
November 18, 2005**

Respectfully submitted,



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